RESEARCH HIGHLIGHTS

Socio-Economic Series Issue 1

MOBILITY CHARACTERISTICS OF CANADIAN HOUSEHOLDS

Introduction

A sound knowledge of Canadian household mobility is important for understanding the operation of the housing market and thus for the development of housing policy and programs. This examination of household mobility over time identifies any shifts in mobility behavior and hence in housing stock turnover. As well, it explores the differences in mobility related to household tenure, age, types of households and other key characteristics, which can assist in developing marketing strategies for housing and related services.

Since 1983 CMHC has sponsored questions on household mobility on the Household Facilities and Equipment (HFE) surveys which are administered as supplements to the Statistics Canada Labour Force Survey.

This report is based on answers to two CMHC questions:

- "When did [Head of Household] move into this dwelling?"
- "Did [Head of Household] own or rent his/her previous dwelling?"

The first question asks for the year when the household head moved into their current dwelling and allows for an assessment of the turnover rate amongst the housing stock. The second question is addressed to all households that reported having moved within the last five years and provides information on previous tenure and occupancy status. In this analysis, a household is considered to be a "mover" if it moved within the last five years. Taking 1989 as an example, households that moved before 1984 are classified as non-movers.

Findings

Proportion of Mover Households

Nearly half of Canadian households move every five years. The data show that this rate of mobility among households remained stable throughout the 1980's.

Household by "Mover" Status

	1983	1985	1987	1988	1989	1990
Moved	48.8	46.6	48.3	49.4	49.4	49.4
Did not move	51.2	53.4	51.7	50.6	50.6	50.6

Previous Tenure of Movers

Household heads of "mover" households either owned or rented their previous dwellings, except for the heads of newly-formed households, which did not formerly maintain dwellings of their own. About 60% of all movers during the 1980's reported previously having rented. This proportion has declined only marginally over time as the proportion of movers which reported having been homeowners before increased slightly. Newly-formed households constituted 9-10% of all "movers" throughout the decade.

Previous Tenure of Mover*

	1983	1985	1987	1988	1989	1990
Owned	26.6	26.9	29.0	30.0	30.6	30.8
Rented	62.0	61.9	61.1	61.2	59.7	59.3
Did not Maintain Own Dwelling	10.0	9.6	8.9	8.8	9.7	9.9

* Columns in 1983, 1985 and 1987 do not total to 100% since the HFE survey included a fourth choice (Don't Know).

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Mobility Characteristics by Tenure

Renters move twice as often as homeowners. While half of all households report having moved during the previous five years, only about one-third of homeowners did. Owner mobility edged up marginally from 33-36% between 1983 and 1990. Renter mobility remained relatively stable during the past seven years. Unlike owners, however, close to three-quarters of all renters move every five years. When subsidized, however, they are slightly less mobile.

Proportion of Households That are Movers

	1983	1985	1987	1988	1989	1990
By Tenure Types						
Owners	33.4	30.8	33.0	34.5	35.6	35.7
Renters	75.1	73.1	74.1	74.3	73.3	73.3
By Rent Subsidy Status						
Subsidized Units	62.4	63.2	64.4	65.5	62.7	N.A.
Not Subsidized	77.0	74.5	75.9	75.9	75.2	N.A.
By Owners' Previous Tenure						
Owned	43.9	45.4	50.5	51.6	51.4	52.6
Rented	47.5	45.3	42.2	42.7	42.6	41.6
Did not Maintain Own Dwelling	6.4	6.4	5.8	5.7	6.0	5.8
By Renters' Previous Tenure						
Owned	13.6	13.7	12.8	13.3	13.3	12.1
Rented	73.0	73.7	75.2	75.5	73.9	74.5
Did not Maintain Own Dwelling	12.7	11.9	11.3	11.2	12.7	13.4

Owner Movers

More than half of homeowner movers have been owners before, revealing that they were not first-time home buyers. This proportion has increased from 43.9% in 1983 to 52.6% in 1990. By 1990, renters becoming owners and newly-formed households constituted a much smaller percentage of owner movers than they did in the early 1980's. Once factor which could explain this trend is the surge of house prices, with its potential consequences on household affordability, seen during this time in most parts of the country.

Renter Movers

Three-quarters of all renters are renters before their move. In contrast to owners, the previous tenure of mover renters has not changed much since 1983. Newly-formed households are more important among renter movers (13.4%) than homeowner movers (5.8%): most newly-formed households rent at first. Of a total of 454 000 newly-formed households in 1989, 72% became renters and 28% became owners. These proportions have not changed over time.

Mobility Characteristics by Location

Urban households move more often than their rural counterparts. This is not surprising as rural households are more often homeowners (86% compared to 59% in urban areas) and homeowners are less than half as likely to move as renters.

Mobility Characteristics among Household Types

Non-elderly singles are the most mobile: some 70% report moving every five years. In comparison, in 1989 only 51% of families and just 26% of seniors reported moving in the last five years. Historically, these differences in the mobility of different client groups have been stable.

Among families, single parents move most often, with more than 60% of them reporting in 1989 that they had moved during the past five years. Mobility is only slightly lower among families without children. However, families with children are considerably less mobile even though the proportion of movers among this group has increased over the past seven years.

Mobility and Income Characteristics

The disaggregation of movers by income quintile does not indicate major differences in the propensity to move. On average 51% of all households in the first three quintiles report moving every five years, as opposed to 45% in the two highest income groups. This relationship has remained stable over the past decade.

Proportion of Households That are Movers

	1983	1985	1987	1988	1989
By Location					
Rural Hlds	38.2	32.5	33.5	34.8	35.5
Urban Hlds	50.9	49.4	51.2	52.2	52.1
By Client Types					
Seniors	24.7	22.4	26.2	26.1	25.5
Non-Elderly					
Singles	72.7	69.9	71.1	72.2	70.1
Families	48.8	47.2	48.4	49.7	50.8
By Family Types					
Fam. w/ Children	44.5	43.3	44.9	46.4	47.2
Fam. w/o Children	57.2	53.4	54.3	53.8	56.4
Single Parents	59.8	59.3	58.6	61.9	60.2

Turnover Rate

Half of the Canadian housing stock consistently turns over every five years. Moreover, about 20% of the housing stock turns over annually. Turnover rates are higher the larger the settlement and, as emphasized, rental units turn over at twice the rate homeowner units change hands.

Proportion of Total Housing Stock Turned Over

Turnover Period	1983	1985	1987	1988	1989
Within 1 year	18.7	19.9	20.2	21.1	20.9
Within 2 years	28.7	29.6	31.2	31.7	31.3
Within 3 years	37.2	36.1	38.5	39.6	39.6
Within 4 years	43.7	41.9	44.0	45.3	45.3
Within 5 years	48.8	46.6	48.3	49.4	49.4

The Research and International Affairs Directorate of CMHC carries out and finances a broad range of research on the social, economic, and technical aspects of housing. This CMHC Research and Development Highlight Sheet is one of a series intended to briefly inform you of the nature and scope of these activities.

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A full report on this project is available from the Canadian Housing Information Centre at the address below.

Housing Research at CMHC

Under Part IX of the *National Housing Act*, the Government of Canada provides funds to CMHC to conduct research into the social, economic and technical aspects of housing and related fields, and to undertake the publishing and distribution of the results of this research.

This fact sheet is one of a series intended to inform you of the nature and scope of CMHC's research.

This **Research Highlights** fact sheet is one of a wide variety
of housing-related publications produced by CMHC.

For a complete list of **Research Highlights**, or for more information on CMHC housing research and information, please contact:

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